

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 910

IN THE MATTER OF:

Served January 22, 1969

School Fare Subsidy Certification)
to the Commissioner of the District)
of Columbia for Fiscal Period Ending)
August 31, 1967 -- WMA Transit)
Company.)

Under Public Law 87-507, approved June 28, 1962, the Washington Metropolitan Area Transit Commission is charged with the duty of certifying to the Commissioner of the District of Columbia data pertaining to the income from mass transportation operations in the District of Columbia of any common carrier required to furnish transportation to school children at a reduced fare by Act of Congress of August 9, 1955.

WMA Transit Company, 4421 Southern Avenue, S. E., Washington, D. C., 20019, furnishes transportation which comes within the purview of Public Law 87-507.

The Law specifies that the fiscal period shall be for the twelve months ended on August 31, and that the "net operating income" shall pertain to "mass transportation operations in the District of Columbia." Accordingly, this Commission has prepared an Operating Statement for WMA Transit for the twelve months ended August 31, 1967, based on an audit by the Commission's accounting staff of the books and records of the Company.

After determining that WMA's net operating income for the fiscal year ending August 31, 1967, amounted to \$281,315.75, allocation was made between "mass transportation operations in the District of Columbia" and all other operations of the Company, using formulas based on relative miles and hours operated, and passengers carried.

As a result of these allocations, it was determined that WMA Transit's "mass transportation operations in the District of Columbia" for the fiscal year ending August 31, 1967, resulted in a net operating

loss of \$51,453.80. It is to be noted that the procedures and allocations described above were utilized only in order to give effect to the specific circumscriptions of Public Law 87-507.

The Audited Operating Statement of WMA Transit Company for the twelve months ended August 31, 1967, and schedules showing development of the allocation factors, are appended to this Order.

Certification to the Commissioner
of the District of Columbia

Based on the findings set forth herein, the Washington Metropolitan Area Transit Commission hereby certifies to the Commissioner of the District of Columbia, with respect to WMA Transit Company, for the twelve months ended August 31, 1967, as follows:

1. a. Total of all reduced fares paid to WMA Transit by schoolchildren in accordance with Act of Congress (201,217 fares at 10 cents) \$20,121.70
- b. Amount which would have been paid if such fares had been paid at the lowest adult fare established by the Commission for regular route transportation (201,217 fares at 25 cents) \$50,304.25
- c. Difference (201,217 fares at 15 cents) \$30,182.55
2. a. Gross operating revenues of WMA Transit for the twelve months ended August 31, 1967, applicable to mass transportation operations in the District of Columbia, exclusive of any school fare subsidy \$327,163.07
- b. Rate of return established by the regulatory commission having jurisdiction in carrier's last rate case (WMATC Order No. 312, issued September 20, 1963) 2.23%
- c. Indicated return allowable \$7,295.74

- d. Net operating income or (loss) from mass transportation operations in the District of Columbia for the twelve months ended August 31, 1967, after giving effect to tax exemptions, and exclusive of any school fare subsidy (\$51,453.80)
- e. Deficiency \$58,749.54
3. Subsidy for which WMA Transit Company is eligible: \$30,182.55
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| Maximum (1.c.) | \$30,182.55 |
| Limitation imposed by 2.e. | \$58,749.54 |
| Certified herein | \$30,182.55 |

FOR THE COMMISSION

Melvin E. Lewis

MELVIN E. LEWIS
Executive Director